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H.R. 4427, To amend section 203 of the Federal Power Act, as amended

FLOOR SITUATION

On Monday, March 14, 2016, the House will consider [H.R. 4427](#), a bill to amend section 203 of the Federal Power Act, as amended, under suspension of the rules. H.R. 4427 was introduced on February 2, 2016, by Rep. Mike Pompeo (R-KS) and was referred to the Committee on Energy and Commerce, which ordered the bill reported by voice vote on February 25, 2016.

SUMMARY

H.R. 4427 amends the Federal Power Act to expressly include a minimum monetary threshold of \$10,000,000 for mergers and acquisitions of Federal Energy Regulatory Commission (FERC) jurisdictional facilities, thereby mirroring the existing \$10,000,000 minimum monetary threshold set forth in other sections in the Act. The bill also requires the Commission to promulgate a rule requiring any public utility to notify the Commission within 30 days after the date on which the transaction is completed if the facilities have a value in excess of \$1,000,000.

BACKGROUND

The Federal Energy Regulatory Commission (FERC) is an independent agency that regulates the interstate transmission of electricity, natural gas, and oil. Also, pursuant to the Federal Power Act, the Commission reviews certain mergers and acquisitions related to electric facilities.¹ The FERC currently approves all such mergers and acquisitions, regardless of the amount, even though similar transactions, such as sales and dispositions, only require Commission approval if they exceed \$10,000,000. H.R. 4427 establishes a minimum monetary threshold of \$10,000,000 for mergers and acquisitions of FERC-jurisdictional facilities, putting such transactions on par with similar transactions and bringing parity to the statute.

COST

A Congressional Budget Office (CBO) cost estimate is currently not available.

¹ See FERC Website, [What FERC Does](#)

STAFF CONTACT

For questions or further information please contact [John Huston](#) with the House Republican Policy Committee by email or at 6-5539.